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IN THE

Supreme Court of the United States

October Term, 1958

No. 506

ZOOMAR, INC.,

Petitioner,

v.

PAILLARD PRODUCTS, INC.,

Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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Introduction

Petitioner sued the respondent for infringement of two patents, Nos. 2,454,686 and 2,718,817, and both were held invalid by the District Court and also by the Court of Appeals. These concurrent decisions of invalidity are based on the disclosures of two prior United States patents which were overlooked by the Patent Office, namely, the Richter patent, No. 2,078,586, and the Michel patent, No. 2,209,532; they were not cited by the Patent Office against either of the patents in suit. The patents in suit are hereinafter called patent 686 and patent 817.

Petitioner has excluded its invalidated patent 817 from the petition because, as hereinafter discussed in respondent's statement of the case, this patent contains admissions of serious objections to the device of patent 686. At the trial, petitioner sought to establish "commercial success"

of patent 686, but the attempt failed, as indicated by the Court of Appeals, because petitioner's proof was deficient in that it did not show what portion of the claimed success was due to patent 817 which, as the Court of Appeals said, "* * * is closely related to a non-accused lens of defendant's, the PanCinor 60, developed in the interval between plaintiff's two patents" (Pet. 34b). The District Court held (Pet. 28b):

> "Patent 817 is invalid because of anticipation by Richter, Michel, 686, Cuvillier and Pan-Cinor 60".

We consider that one of the reasons why petitioner dropped patent 817 from this case, on this petition, is that petitioner could not logically urge commercial success of patent 686 in the face of the admissions in 817 adverse to patent 686, and could not urge validity of 817 in the face of respondent's prior "Pan-Cinor 60" lens.

In the District Court, both patents were held not infringed, even if valid, and it was brought out that the respondent's device operated on a different principle from that of the 686 patent (Pet. 24b).

In holding patent 686 invalid, the District Court said (Pet. 24b):

> "I find that the defendant has *overwhelmingly* satisfied its burden of proving that patent 686 is invalid." (Emphasis ours)

Neither of the patents involved in this litigation has ever been the subject of any other patent suit. Accordingly, it is immediately obvious that the Court of Appeals has not rendered a decision in conflict with the decision of another Court of Appeals on the same matter (Rule 19b). Thus the second of the only two reasons specified by petitioner, namely conflict of decisions (Pet. 20) is groundless.

The other reason specified by the petitioner (Pet. 13), namely that the Court of Appeals has decided an important

question of Federal law which has not been, but should be, settled by this Court, is also groundless. The simple truth is that the Court of Appeals did not decide any question of Federal law in this case. This is immediately apparent from the opinion of the Court of Appeals.

Respondent's Statement of the Case

Petitioner's "Statement of the Case" is incorrect and insufficient; it is not accepted by respondent.

The District Court held both patents in suit invalid and further held that even if said patents were valid they were not infringed.

In the case of patent 686, the District Court held that patent invalid on several grounds, including: (1) Invalidity in view of two United States patents, Richter patent No. 2,078,586 and Michel patent No. 2,209,532, which were overlooked by the Patent Office and not mentioned in the applications for the patents in suit; (2) Invalidity because of insufficiency of the disclosure required by the 1952 Patent Act, 35 U. S. C., Sec. 112; and (3) Invalidity because the claims are too broad.

In respect to invalidity of this patent on the ground that the claims are too broad, the District Court said (Pet. 21b):

> "By phrasing its claims and specifications in the broadest possible terms, the 686 patent effectively posed a threat to every conceivable optically compensated varifocal device. Thus, plaintiff contended throughout the trial that not only the defendant's device, but their own 817 as well, would infringe 686."

The other patent in suit, No. 817, was also held invalid by the District Court in view of the prior art, including the above mentioned Michel and Richter patents and the

Cuvillier patent, and the District Court also found that patent (817) not infringed, even if valid (Pet. 24b-28b).

The Court of Appeals affirmed the District Court's judgment. In so doing, that Court held " * * * that the prior art as evidenced in the Richter and Michel patents anticipates plaintiff's patents * * * " (Pet. 34b). The Court of Appeals further stated that because of the anticipation of plaintiff's patents by the prior art, " * * * it is unnecessary to reach the other grounds of invalidity found by the lower court" (Pet. 35b). Of course, the Court of Appeals did not discuss the question of whether or not either of these patents was infringed, since that question became moot when the holding of invalidity was affirmed.

On pages 2 and 3 of the petition, there is an erroneous assertion that patent 817 was " * * * not specifically passed upon by the Court of Appeals." That error in petitioner's statement is obvious in view of the following statement by the Court of Appeals (Pet. 34b):

> "Because we held that the prior art as evidenced in the Richter and Michel patents anticipates plaintiff's patents, it is unnecessary to reach the other grounds of invalidity found by the lower court."

On page 3 of the petition it is also stated that patent 817 is not involved in this petition. Thus, at least by implication, petitioner admits that the courts below were correct in their holdings of invalidity and non-infringement of this patent.

Patent 817, which petitioner has deliberately omitted from its petition, discusses the serious disadvantages of 686, including the fact that in patent 686 there are formed three real images because all the lens components were convex. As stated in patent 817, column 1, beginning in line 56, all the lens groups of 686 "had to have positive powers", meaning, of course, that no negative lenses could be used in the device of 686. The alleged invention in 817 is said to reside in the use of a negative erector lens so as to pro-

vide for the formation of a virtual image and thus to reduce the length of the lens and obviate other disadvantages of 686. This, however, was admittedly not new with plaintiff but, on the contrary, was embodied in defendant's non-accused PanCinor varifocal lens (Exhibit A) known as PanCinor 60 which petitioner admitted was placed on sale in the United States in 1951, long before the filing date of patent 817, and two years before petitioner began selling the lens of 817 (136a-155a). This and similar number references are to the joint appendix to the briefs in the Court of Appeals. In the Court of Appeals as well as in the petition, this joint appendix is erroneously labeled and referred to as Appellant's Appendix.

In addition to the above corrections and indications of omissions in petitioner's statement of the case (Pet. 2-13), it is to be noted that petitioner has undertaken to present a contentious interpretation of the oral testimony and of the other evidence, without due regard to the fact that its interpretations are inconsistent with the findings of the District Court, on the question of validity, and the concurrence in those findings by the Court of Appeals. It is considered that the petitioner's interpretations of the evidence are emphatically refuted in detail in the opinion of the District Court (Pet. 1b-24b) and also in the opinion of the Court of Appeals (Pet. 30b-35b).

The anticipation of patent 686 was admitted, in effect, at the trial by petitioner's expert witness, for the latter admitted that in 1943, long before patent 686 was filed, he recognized that the varifocal lens of the Richter patent could be used as a zoom lens in photography. Upon cross-examination, he testified (426a):

> "Q. When did you first become familiar with the Richter patent? A. About 1944.
>
> Q. Did you at that time recognize that the device shown by this patent could be used for photography? A. At that time I saw it only as a microscope illuminator. *Later, about 1943, I believe I restudied it from the viewpoint that it might possibly be used in a viewfinder or zoom lens.*" (Emphasis ours.)

In regard to the alleged "commercial success" referred to in the petition, page 9, the following finding of the Court of Appeals refutes petitioner's unsubstantiated contention (Pet. 34b):

> "• • • • plaintiff's proof does not clearly show what portion of its considerable commercial success is attributable to its later improvement patent which is closely related to a non-accused lens of defendant's, the PanCinor 60, developed in the interval between plaintiff's two patents."

In an earlier case, *Weidhaas* v. *Loew's Inc. et al.*, 125 F. (2) 544, 545, Judge Clark of the Court of Appeals for the Second Circuit made the following observation, which is directly applicable to the present case:

> "• • • • we can hardly accept a device as a commercial success when it hides behind a completed product which possesses more appealing features."

It need hardly be added, however, that even if petitioner had, contrary to fact, been able to attribute commercial success to patent 686, that circumstance would carry very little, if any, weight, for it is well established that commercial success is not a substitute for invention. *Jungerson* v. *Ostby & Barton Co.*, 335 U. S. 560, 567.

There Is No Basis for a Review on Writ of Certiorari

This is an ordinary patent case. The patents sued upon in this case have not been adjudicated elsewhere, and, so far as we know, no other suit has been brought on these patents.

No other Court of Appeals has rendered a decision in conflict with the decision of the Court of Appeals in this case on the same matter, and the Court of Appeals in this case has not decided a question of Federal law which has not been, but should be, settled by this Court. Nor is any

other reason stated in the petition which deserves consideration within the comprehensive purview of Rule 19.

As only the Courts below have passed on the patents involved in this case, it is apparent that what the petitioner is seeking is not to resolve a conflict between decisions of different Courts of Appeal on the same matter, but is seeking a review by this Court of the findings of fact made by the District Court in respect to the validity of the patents involved in this case, notwithstanding that the Court of Appeals has concurred in those findings to the extent requiring affirmance of the District Court's decision.

In the Court of Appeals, petitioner asserted that the District Court erred in not following the "modified" standard of invention referred to by the Court of Appeals for the Second Circuit in *Lyon* v. *Bausch & Lomb Optical Co.*, 224 F. (2) 530, certiorari denied, 350 U. S. 911, rehearing denied 350 U. S. 955. That contention was shown to be erroneous when the present case was heard by the Court of Appeals and the error on the part of the petitioner, as appellant in the Court of Appeals, was exposed by reference to the decision of the District Court (Pet. 5b).

In this Court, petitioner is now contending that the Court of Appeals did not apply the modified standard of invention to which it referred in the *Bausch & Lomb* case and in that connection petitioner contends, without basis and with questionable propriety (Pet. 13), that "Apparently, the Second Circuit is getting ready to overrule its decision in the *Lyon* case, having expressed doubt of the correctness of the ruling in *Vermont Structural Slate Co., Inc.* v. *Tatko Brothers Slate Co., Inc.*, 233 F. (2) 9, 11, n. 3; • • • ". That case was decided May 8, 1956 and yet, the Court of Appeals for the Second Circuit, contrary to petitioner's unwarranted suspicion, has not overruled *Lyon* v. *Bausch & Lomb* but, on the contrary, in a case decided July 1, 1958, only a few weeks before its decision in the present case, held two patents valid and referred to the modi-

fied standard mentioned in the earlier *Lyon* case, *Georgia-Pacific Corp.* v. *U. S. Plywood Corp.*, 118 U. S. P. Q. 122, 129 (apparently not yet elsewhere reported). Certiorari was denied by this Court on November 10, 1958, Petition No. 401, 119 U. S. P. Q. II. This last mentioned case was referred to by the Court of Appeals in its decision in the present case (Pet. 34b), and in that connection the Court of Appeals pointed out that the presumption of validity referred to in the Patent Act of 1952 was not strong in the present case in view of the fact that " * * * the Patent Office did not consider the Michel and Richter disclosures when it approved plaintiff's application * * * " (Pet. 34b). The Court of Appeals in this case has expressly stated (Pet. 34b) that it has not ruled on the question as to a modified standard of invention under 35 U. S. C. Section 103, and further stated that it was not necessary to do so in the present case.

In view of the reference by the Court of Appeals in the present case to its recent decision in the *U. S. Plywood* case in which the *Lyon* case was referred to, it is thought that petitioner must have overlooked the *U. S. Plywood* case, noted by the Court of Appeals in the present case (Pet. 34b), when petitioner ventured the unfounded assertion that "Apparently, the Second Circuit is getting ready to overrule its decision in the *Lyon* case * * *" (Pet. 13). At any rate, whether that Court of Appeals will or will not in the future adhere to the views which it expressed in the *Lyon* case remains to be seen and, in any event, petitioner's conjecture is certainly not a reason for the grant of the writ in the present case.

The Court of Appeals, as previously stated, commented on the fact that petitioner stressed the alleged commercial success of the lens sold by it but:

> " * * * plaintiff's proof does not clearly show what portion of its considerable commercial success is attributable to its later improvement patent *which*

is closely related to a non-accused lens of defendant's, the PanCinor 60, developed in the interval between plaintiff's two patents." (Emphasis ours) (Pet. 34b)

In other words, while petitioner sought to invest patent 686 with the quality of commercial success, for the purpose of tipping the scales, if possible, in favor of its patent 686, that attempt failed because petitioner did not show what portion of the alleged commercial success resulted from respondent's PanCinor 60 and petitioner's closely related patent 817, which petitioner says is not involved in this petition, and which, by implication at least, petitioner is willing to concede is invalid as decided by the courts below. Certainly, this appraisal of the evidence by the Court of Appeals is not a reason for granting the writ.

It is to be noted that the decisions set forth in the petition beginning on page 20, did not involve either of the patents of the present case. It is therefore impossible to reach any conclusion, even if such conclusion were material, whether the courts which decided those cases were more lenient in respect to the test for invention than the Court of Appeals for the Second Circuit would have been had the same patents been presented for adjudication in that circuit on the basis of the same evidence. Conversely, it is not possible to say what the Second Circuit would have decided in regard to the validity of patents held invalid in the circuits represented in the petition as, and assumed by petitioner to be, more favorable to patents than the Court of Appeals for the Second Circuit and the Courts of Appeals of other circuits.

In short, petitioner has based its petition on mere conjecture as to how liberal or illiberal the different Circuit Courts of Appeal are, respectively and in comparison with each other, in regard to questions of patent validity.

In any event, the present case is not one which might be appropriate for testing interpretation of liberality in

Sec. 103 in respect to questions of patent validity, for the anticipatory prior art evidenced by the Richter and Michel patents preclude a holding of validity of the patent in suit.

CONCLUSION

We submit that for the foregoing reasons, the petition for writ of certiorari should be denied.

Respectfully submitted,

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